

OUR FOREIGN TRADE.

Exhibit of Our National Industry and Commerce.

THE TARIFF QUESTION CONSIDERED.

The Morals, Economy and Independence of Trade.

I.—The National Capital and Labor.

Labor enriches, law and arms preserve, education develops the welfare and greatness of a nation. Industry has four great branches: (1) Agriculture, (2) Manufactures, (3) Trade, (4) Mining, all intimately interwoven, but of which Agriculture is primary; it is the basis of the rest. The population of the United States according to the last census (1860) was 31,383,998, and the estimated value of its real and personal property \$159,616,068. The aggregate value of our products for that year are computed as follows: Agriculture \$1,856,000,000; Manufactures, Mining and Fisheries \$1,906,000,000, or a grand total of \$3,762,000,000 as the entire product of the national industry. Of this product it must be estimated that about one-third is consumed where it is produced, leaving as a basis of transfer and trade of Agriculture \$1,237,000,000; Manufactures, Mining, &c., \$1,525,000,000, or a total of \$2,762,000,000.

The trade of the country creates nothing of itself. It is impossible to arrive at an approximate estimate of the earnings of trade. It has two natural divisions—Home and Foreign. We have a tolerably accurate account of the imports and exports, and can thus distinguish the amount of home trade. The exports for the same year were \$373,274, two-thirds of which was in American vessels. The imports were \$362,166,254, two-thirds in American vessels, and of this sum we retained for home consumption \$335,233,232, the difference being re-exported. The exports for the same year, including precious metals, were \$400,122,296.

GROWTH OF FOREIGN TRADE.

In order to understand the nature, growth and extent of our foreign trade, it is necessary to consult the following table:

Year.	Total Imports.	Total Exports.
1793.....	\$2,300,000	19,012,941
1800.....	91,222,798	70,971,740
1810.....	74,500,000	69,691,609
1820.....	70,876,000	72,849,008
1830.....	108,435,000	132,653,996
1840.....	177,131,318	211,200,046
1850.....	302,166,254	400,122,296
1860.....	362,166,254	400,122,296

EXPORT OF THE PRECIOUS METALS.

It thus appears that, in the 10 years preceding war, the whole foreign commerce of the country increased over 200 per cent, while the manufactures had increased 90 per cent. A large proportion of this increase in our exports consists of gold and the precious metals, which will be seen by the following table of specie exports:

Year.	Imported.	Exported.
1850.....	\$4,201,382	\$7,496,475
1855.....	4,207,632	8,744,485
1860.....	8,550,135	16,546,239
1861.....	46,309,611	29,791,160
1862.....	16,415,052	36,867,640
1863.....	5,564,105	32,364,402
1864.....	13,135,706	105,125,750
1865.....	7,225,271	54,448,184

ENGLAND ENRICHED FROM OUR PRODUCTS.

It is apparent, therefore, that the nations of Western Europe derive a large profit from the carriage and manufacture of raw materials which they import to us, or from furnishing the produce of their own soil. It is estimated by Mr. Bailey "that during the last fifty years, upon an average computation, the import and manufacture of cotton has yielded England a net of not less than one thousand million pounds sterling." The value of the raw cotton which she reaped in 1859 was \$150,000,000, which were sent into fabrics worth \$400,000,000, leaving her a net of \$150,000,000 above the cost of manufacture. Her woolen mills yield about the same result, half of the wool being grown in Great Britain. From furnaces turn out three millions of tons of iron, worth \$64,000,000, while her flax and silk manufactures are nearly as valuable. The annual value of her textile fabrics alone is \$750,000,000. Imports, principally of food and raw materials, entered in 1859 to \$895,927,775, while her exports reached the enormous sum of \$524,057,643. Her annual \$46,000,000 was for textile fabrics, of which \$50,000,000 were sent to the United States. Trade with France and Germany has the same features.

WHY NOT MANUFACTURE FOR THE WORLD?

It becomes very important to know what are the advantages and disadvantages of this species of commerce. Why should we continue to consume so large an amount of merchandise of foreign manufacture? It appears that on account of the cheapness of labor and the accumulation of capital we can buy fabrics of iron, cotton and silk cheaper than we can make them at home. Importance to a nation of manufacturers is to be understood. Both in war and peace contribute largely to national independence. It is pertinent to ask why America has her skillful population, her coal and iron, her water-power, her ingenuity and technical skill should not at least supply her own needs with her own produce, even if she do not compete with England the markets of the world, as has the carrying trade, beside furnishing labor millions of her skilled artisans.

II.—Free Trade vs. Protection.

The question has agitated in some shape the minds of the nation for years, and contributed to the elements to the great Secession Convention which we have just seen the end. It is the Free Trade and Protection issue,

which involves in its consideration questions of national independence, morals, revenue, currency, wealth, taxation and finance. Which policy brings the greatest and most lasting blessings to the whole people? There is a large class in the community, chiefly those interested in the exchange of foreign goods, who clamor loudly for Free Trade, and insist with much vehemence that the country will so be best served. There is something seductive about the name Free Trade which leads to great confusion of ideas, as it is usually allied in some minds with Free Labor, Free Speech and Free Soil. It is quite needless to say that within our own boundaries trade is absolutely free, nor can it be too free, but to understand its bearings when applied to foreign countries, consider the foregoing statistics.

HINDERANCES TO AMERICAN LABOR.

The main argument in its behalf is the undoubted fact that at present we can buy goods cheaper abroad than we can make them, and the chief complaint, that we impose for the purposes of revenue such a tariff as equalizes the difference or nearly so. The tariff of the United States has undergone frequent and important alterations during the past 50 years, but by the political influence of that portion of the country lately in insurrection has, with trifling exceptions, been kept at a point low enough to yield revenue only, with but little protection to our manufactures. The instability of the tariff, even if it were protective of home industry, is one of the causes which must always operate to prevent, to some extent, capitalists from embarking in such enterprises.

FLUCTUATIONS OF THE TARIFF.

The following table exhibits the fluctuations of the tariff and the amount of customs duties received, and the ratio of the duties to the total imports:

Year.	Total Imports.	Customs.	Average per cent.
1793.....	\$2,300,000	\$5,288,461	8.01
1800.....	91,222,798	10,736,778	9.65
1810.....	74,500,000	9,363,550	9.71
1820.....	70,876,000	13,224,629	10.09
1830.....	108,435,000	17,282,942	14.11
1840.....	177,131,318	17,158,285	14.31
1850.....	302,166,254	31,922,803	10.56
1860.....	362,166,254	31,922,803	10.56

THE MORALS OF FREE TRADE.

It is clear that the policy of buying abroad what we could produce at home is in the long run quite ruinous to our wealth, and to our independence, and altogether unworthy of our business shrewdness. It is well-known abroad that America and Americans are the best customers in the world. They buy more, pay better prices, and pay more promptly than any other people. They buy more over-expensive goods, luxuries, and fine wares which pay a high profit. Our men and women even to the lowest of laborers seem to indulge to the widest limit that latitude of being well dressed, while our more wealthy classes are prodigal in both comforts and luxuries. Experience demonstrates too painfully the fact that our people cannot resist the temptation to buy anything, however worthless or trifling, which is brought over and shown to them so long as they have the money in their pockets. Foreigners know this and traffic upon our weakness. Under the guise of fashion we are cheated out of millions of hard money annually. The difference between what we desire and what we need is world-wide, though the words are used synonymously by the advocates of Free Trade.

III.—Analysis of Our Imports.

Of the imports for 1860, \$22,291,614 were free, while \$29,852,327 paid duties, \$3,979,570, or an average duty on the whole of 14.99 per cent, or an average of 19.29 upon the dutiable portion. The same average is maintained for three years previous. The goods paying duties may be classified as follows:

Value.	Duty.	
Articles in raw state, such as hides, furs, &c.....	\$39,217,416	\$1,543,354
Articles partially manufactured; tinned iron, steel, lead, leather, &c.....	19,166,891	1,989,725
Manufacturers of wool, dress goods, hosiery, &c.....	37,907,090	8,198,518
Manufacturers of silk, dress goods, velvets, ribbons, &c.....	32,948,217	6,304,029
Manufacturers of cotton, dress goods, hosiery, thread, &c.....	32,558,116	7,109,066
Flax, lace, embroidery, &c.....	20,181,443	2,556,567
Manufactured articles of iron, steel, earthenware, glass, jewelry, &c.....	166,073,376	34,285,021
Articles of food and drink, such as sugar, tobacco, spirits in various forms, and other articles.....	74,414,934	16,163,469
Total.....	\$279,971,322	\$51,979,570

IT WILL BE USEFUL TO OBSERVE THAT WE ARE PAYING OUR GOLD AND GRAIN FOR THE ARTICLES WE PURCHASE ABROAD ARE CONVENIENTLY ENRICHED IN FOUR CLASSES:

1. Useful articles which can be manufactured here.
2. Useful articles which cannot be manufactured here.
3. Articles of mingled convenience, comfort or luxury.
4. Articles which are needless or harmful.

THE FOLLOWING ARE SOME OF THE ITEMS IN OUR BILL OF PURCHASES FOR THE YEAR 1860:

Laces and Embroideries.....	\$4,917,675
Railroad iron.....	5,330,130
Flowers and Feathers.....	1,543,429
Watches and parts.....	2,889,384
Feathers and Flowers.....	736,743
Jewelry and Plated Ware.....	652,366
Spirits and Cordials.....	5,669,313
Wines.....	4,775,119
Fruits.....	4,977,894

WHAT WE BUY ABROAD.

This is by no means a complete list, as there are such articles as perfumery, notions, and articles of fancy, not enumerated. But these figures only represent the amounts actually entered at the Custom-House. The actual receipts were probably much larger, in some cases as much as fifty or a hundred per cent. When the duties are *ad valorem*, it is a common and fraudulent practice to swear the goods through, by means of false invoices, at much less than their true cost. So, when the duties are specific, the quantities—especially of dry goods—are fraudulently entered. The former is our bill of luxuries during a prosperous peace. Let us analyze the importations in years of

PEACE AND WAR CONTRASTED.

Year.	Total Imports.	Free.	Dutiable.
1860.....	\$362,166,254	\$22,291,614	\$339,874,640
1861.....	362,166,254	22,291,614	339,874,640
1862.....	362,166,254	22,291,614	339,874,640
1863.....	362,166,254	22,291,614	339,874,640
1864.....	362,166,254	22,291,614	339,874,640
1865.....	362,166,254	22,291,614	339,874,640

ENGLAND'S SO-CALLED FREE TRADE.

The policy of England has really been protective, and to this she owes in a great measure her greatness, and to the discoveries of the steam-engine, the power-loom, spinning-jenny, and other inventions, which have multiplied her working-power a hundred-fold. In these inventions, she had a start of all other nations, but now holds them only in common with others. But her advantages have been eminently discriminating and stable tariff protection; her coal and iron mines; her capital and treaties. For hundreds of years, she levied a most stringent tariff upon all foreign fabrics, and it was during that time she gained such an ascendancy that she now defies all competition. In 1660, the export of wool was prohibited, and so continued till 1825. No less than 311 laws were passed for the protection of wool and woollens in as many years. English cloths were prescribed to be worn, and exported to her colonies. She repressed the factories in Ireland, India and America. Whenever foreign productions encroached upon her own, they were stopped, so lately as the Indian mutiny, when we clothed her soldiers with Boot's Mills' denims, which were afterward excluded by tariff. She has prohibited the exportation of machinery, and never failed to make a favorable treaty for her wares, when it was possible, the French treaty being the latest triumph.

RELATIVE ADVANTAGES OF ENGLAND AND AMERICA.

Between 1841 and 1845 a change was inaugurated in the policy of England. The manufacturing interest had grown to be the most considerable one in the island, and agriculture, which till then had been protected by Corn Laws, had to give way to the more important interest of the mill-owners. Since then she has been a warm advocate of Free Trade, and has piled every art and argument for its

advancement. Her position is peculiar; she has goods to sell to all the world, and needs both food and raw material in return. The theory she practices is very different from that which she urges upon others. Her industrial start gave her such a tremendous advantage that she can compete in all markets with manufactures. America is the only nation which has superior advantages. She has the cotton, the iron, the coal, the wool. She can grow or import as cheaply as England, and the skilled labor in abundance will follow. All that is needed is a steady course of protective legislation, doubly necessary at this time to relieve the nation's indebtedness.

CONSUMPTION OF FOREIGN MERCHANDISE.

The actual consumption of Foreign goods per capita is on the increase, and notwithstanding the temporary and commendable check upon our importations during the war, the following table will show that we have nearly reached the pace ratio again:

Year.	Imports.	Population.	Per Capita.
1840.....	\$2,300,000	12,579,320	1.83
1850.....	10,736,778	14,967,736	2.64
1860.....	31,922,803	17,069,453	3.15
1861.....	31,922,803	17,069,453	3.15
1862.....	31,922,803	17,069,453	3.15
1863.....	31,922,803	17,069,453	3.15
1864.....	31,922,803	17,069,453	3.15
1865.....	31,922,803	17,069,453	3.15

THE ESTIMATES OF THE CONSUMING POPULATION, INCLUDED WITHIN THE NATIONAL LINES, DURING THE WAR, IS BELIEVED TO BE QUITE AS HIGH AS THE FACT, AND AS NO ACCOUNT IS MADE OF THE BLOCKADE-RUNNING INTO SOUTHERN PORTS, THE RATIO OF CONSUMPTION IS PROBABLY STILL HIGHER THAN THESE FIGURES. THE HIGHEST RATIO FOR ANY YEAR WAS IN 1867, WHICH WAS 11.81.

THE MORALS OF FREE TRADE.

It is clear that the policy of buying abroad what we could produce at home is in the long run quite ruinous to our wealth, and to our independence, and altogether unworthy of our business shrewdness. It is well-known abroad that America and Americans are the best customers in the world. They buy more, pay better prices, and pay more promptly than any other people. They buy more over-expensive goods, luxuries, and fine wares which pay a high profit. Our men and women even to the lowest of laborers seem to indulge to the widest limit that latitude of being well dressed, while our more wealthy classes are prodigal in both comforts and luxuries. Experience demonstrates too painfully the fact that our people cannot resist the temptation to buy anything, however worthless or trifling, which is brought over and shown to them so long as they have the money in their pockets. Foreigners know this and traffic upon our weakness. Under the guise of fashion we are cheated out of millions of hard money annually. The difference between what we desire and what we need is world-wide, though the words are used synonymously by the advocates of Free Trade.

IV.—The Status of Trade.

Many fine poems have been sung in praise of Trade and Commerce. The usual theory is that it is a mutual exchange of surplus products. Trade has certainly enlarged the sum of human comfort, and many have supposed it to be intrinsically ennobling. Contemplated in another aspect, selfishness is its governing principle. Gain is its prime object, and to buy in the cheapest and sell in the dearest market its fundamental law. Rome, Carthage, Alexandria, Tyre and Venice were built and enriched by trade, and trade engendered such a corrupt state of public spirit and morals that it destroyed them. Trade has a code of honor differing in usage to that taught by Christ. "Commercial honesty" is proverbial as Punic faith. Trade steals men and women from peaceful homes and sells them to slavery. It forces opium on unwilling Chinese, and sells rum and idols to savages and heathens. Trade deals in gross and wholesale adulterations and false measures. Trade freight ships with munitions for the public enemy. Trade utters falsehoods in the exchange, the stock market and the counting-room. Trade has indeed done much to enrich us, but labor is the true source of permanent wealth, and honor is the only means of ennobling it.

PROTECTION NOT SECTIONAL.

There have been objections to a Protective policy because it was supposed to favor sections. As we have shown, the greater proportion of taxes has been levied on the products of the South than the North. The South believed in Free Trade, despised manufactures. Where did it leave her? The South should now be more anxious for factories than the East. The law of nature is to fabricate products where the raw material exists under best advantages, and there is no reason why Lowell, Newark and Pittsburgh should not spring up all over the South and West. The labor and capital can be easily transferred to wherever the natural advantages are greatest.

PROTECTION IS NOT A SENTIMENT IN FAVOR OF AMERICAN FABRICS AS SUCH; IT IS THE TRUE ECONOMY, ULTIMATE GAIN.

To illustrate: war vessels can be more cheaply built in England than here, yet what patriot would abandon our ship and dockyards and leave us at the mercy of foreign nations? Manufacturers are almost adrift in peace or war, as ships, to the national strength. We pay a premium upon the education of seamen that we may have them at need; with as much wisdom might we consent to pay a temporary premium to manufacturers that hereafter we might equip and clothe ourselves cheaply.

THE SHIPPING INTERESTS.

There are many well-meaning persons who are led to echo this cry of Free Trade, and there is one class whose interests seem to be menaced by Protection, the Navigators and Shippers of the country. By the tables for 1863 it appears American vessels carried only a very small portion of our foreign commerce, and nine-tenths of all the steamers plying between this country and Europe are foreign. By striking at the foreign imports we should strike also at foreign shipping, and would then be ready to compete for the legitimate carrying trade of the world.

RATE OF EXPORT.

Year.	Domestic Produce.	Approximate rate per capita.
1840.....	\$2,300,000	1.83
1850.....	10,736,778	2.64
1860.....	31,922,803	3.15
1861.....	31,922,803	3.15
1862.....	31,922,803	3.15
1863.....	31,922,803	3.15
1864.....	31,922,803	3.15
1865.....	31,922,803	3.15

OF THESE EXPORTS THERE WERE IN FISCAL YEAR '62-3 CLASSIFIED AS FOLLOWS:

Year.	Domestic Produce.	Approximate rate per capita.
1862-3.....	\$2,300,000	1.83
1863-4.....	10,736,778	2.64
1864-5.....	31,922,803	3.15
1865-6.....	31,922,803	3.15
1866-7.....	31,922,803	3.15
1867-8.....	31,922,803	3.15
1868-9.....	31,922,803	3.15
1869-70.....	31,922,803	3.15

THE FUTURE POLICY OF AMERICA.

The remedy for this state of things lies with Congress, but legislators must be backed up by an enlightened public sentiment. Slavery no longer

yielded a handsome revenue, while the Internal Revenue effect the protection and favored the cause of temperance and morals. The importation of nearly 200,000 dozen pairs of kid gloves annually is a very suggestive phenomenon of our condition.

CURIOSITIES OF THE CUSTOMS.

There are several curious items in this little bill of luxuries. For example, of human hair we imported in 1863 \$36,750, paying a duty of 38 per cent; while of hair-curls, ringlets, head-dresses, &c., made up, we imported \$36,981, at a duty of 40 per cent. Of mahogany wood we brought in free \$122,317, and of pineapples \$87,956, also free. Of Bohemian and colored glass we imported \$58,191, at a duty of 35 per cent. Coal \$1,138,206, principally bituminous, at \$1 10 per ton. Of calf skins, 694,837 pounds, at 30 per cent, and \$69,444 worth of patent leather at 35 per cent duty. Opium for smoking \$290,872, at a duty of 80 per cent, and gum opium 62,618 pounds, worth \$266,553, at \$2 per pound. Ale and porter 295,623 gallons, worth \$245,850, at a duty of 30 cents per gallon. All of \$278,516 worth of files and rasps at a duty of 35 per cent. These are said to be manufactured here now by machinery equal to the best European. Of pig iron 31,007 tons, at \$6 per ton. Railroad iron 17,088 tons, at \$13 50 per ton. Rolled bar iron 1,384,210 tons, worth \$2,873,045, at a duty of \$18 per ton. Of spices, pepper, cinnamon, &c., \$63,437, at a duty of 20 per cent to 12 cents per pound. Ribbons \$1,822,471, at a duty of 40 per cent. Silk dress goods 7,311,500 square yards, costing \$6,457,512, at 30 and 40 per cent. Velvets 316,918, valued at \$717,655, at a duty of 30 and 40 per cent. Cigars and cigarettes 741,162 pounds, valued at \$1,015,585, at a duty of 35 cents per pound. Gin 1,064,576 gallons, entered as being worth \$170,750, or less than 50 cents per gallon, at a duty of \$1 50 per gallon. Of wines 3,862,706 gallons, said to be of the value of \$1,172,655, or about 33 cents per gallon, beside 736,429 bottles, at a duty of 50 per cent. Brandy 501,067 gallons, at an average of nearly \$1 50 a gallon, at a duty of \$1 50 per gallon.

IMPORTERS AND THEIR PROFITS.

The profits of this yearly importation of \$300,000,000 a year, to which should be added a considerable sum smuggled or fraudulently entered, are enormous, and constitute probably the inspiring motive of many free trade partisans. These profits vary from 15 to 200 per cent. Seven-eighths of the foreign importations are sold from this city. This comprises the greatest branch of trade. It has therefore an interest adverse to the rest of the nation. The more the country spends in foreign luxuries the more are New-York importers enriched in the handling. It would be interesting to know how many of these American importers are foreign subjects. Of those who clamor for low tariffs, many are not even domiciled here, others are merely agents for foreign houses, Jews and middle-men who have no interest in the advancement of American industry.

THE INCREASE (IN THE LAST TABLE) OF THE EARLY CUTS DURING THE LAST SEASONS, WAS OWING TO THE APPLICATION OF SEWAGE IN THE WINTER MONTHS.

The four following tables present: First, The total amount of produce per acre per annum as green grass. Second, The same produce calculated as hay. Third, The increase, as green grass, for each 1,000 tons of sewage employed. Fourth, The increase, reckoned as hay, for each 1,000 tons of sewage. The distinction in the four plots (which are numbered from left to right) remains always as stated at the beginning:

Plot No. 1.	Plot No. 2.	Plot No. 3.	Plot No. 4.	
1861.....	9.5	14.16	27.1	32.16
1862.....	9.5	14.16	27.1	32.16
1863.....	9.5	14.16	27.1	32.16
Average.....	9.5	14.16	27.1	32.16

Plot No. 1.	Plot No. 2.	Plot No. 3.	Plot No. 4.	
1861.....	9.5	14.16	27.1	32.16
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Plot No. 1.	Plot No. 2.	Plot No. 3.	Plot No. 4.	
1861.....	9.5	14.16	27.1	32.16
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Average.....	9.5	14.16	27.1	32.16

Plot No. 1.
